

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

SEP 30 2009

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	CONSENT ORDER
PETITIONER,)	
)	
VS.)	CAUSE NO. C-1786
)	
SAFECO INSURANCE COMPANY)	
OF AMERICA,)	
)	
RESPONDENT.)	

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Janette L. Adair and Safeco Insurance Company of America ("Respondent"), mutually stipulate and agree as follows:

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. §§44-101.01, 44-135, 44-303, and 44-4047 et seq. (Reissue 2004).
2. Respondent was licensed under the laws of Nebraska as a foreign insurer licensed to conduct business in Nebraska at all times material hereto.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Safeco Insurance Company of America, Cause Number C-1786 on September 9, 2009. A copy of the petition was served upon the Respondent at the Respondent's address registered with the Department, and upon Respondent's agent for service, by certified mail, return receipt requested.

2. Respondent violated Neb. Rev. Stat. § 44-1525(12) by accepting the following applications from Auto Insurance Center after the Nebraska insurance license of Auto Insurance Center was revoked:

- a. Broad Form 2 application for Policy #OZ4155265 prepared March 19, 2008.
- b. Basic Form 1 application for Policy #OZ4157417 prepared May 10, 2008.
- c. Renters application for Policy #OZ4159803 prepared July 2, 2008.
- d. Renters application for Policy #OZ4160486 prepared July 18, 2008.
- e. Quality Plus Home application for Policy #OZ4160819 prepared July 25, 2008.
- f. Basic Form 1 application for Policy #OZ4163077 prepared September 19, 2008.
- g. Basic Form 1 application for Policy #OZ4163031 prepared September 19, 2008.

3. Respondent violated Neb. Rev. Stat. § 44-4060 by paying commissions to Auto Insurance Center on the following policies:

- a. Policy #OZ4151152, inception date December 4, 2007.
- b. Policy #OZ4155265, inception date March 18, 2008.
- c. Policy #OZ4157417, inception date May 10, 2008.
- d. Policy #OZ4159803, inception date July 2, 2008.
- e. Policy #OZ4160486, inception date July 18, 2008.
- f. Policy #OZ4160819, inception date July 31, 2008.
- g. Policy #OZ4162841, inception date September 15, 2008.
- h. Policy #OZ4163031, inception date September 19, 2008.
- i. Policy #OZ4163077, inception date September 19, 2008.
- j. Policy #OZ4163080, inception date September 19, 2008.

4. Respondent was informed of the right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving the right to a public hearing, Respondent also waives the right to confrontation of witnesses, production of evidence, and judicial review.


5. Respondent admits the allegations stated in Paragraphs 2 and 3.

CONCLUSIONS OF LAW

Respondent's conduct as alleged above constitutes violations of Neb. Rev. Stat. §§ 44-1525(12) and 44-4060.

CONSENT ORDER


It is therefore ordered by the Director of Insurance and agreed by Respondent, Safeco Insurance Company of America, that Respondent shall pay an administrative fine in the amount of five thousand dollars (\$5,000.00) due within 30 days after the Director of Insurance or his designee approves and signs this consent order. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his signature below.


Janette L. Adair, #22618
Attorney for Petitioner
941 "O" Street, Suite 400
Lincoln, NE 68508
(402) 471-2201

9-28-09
Date

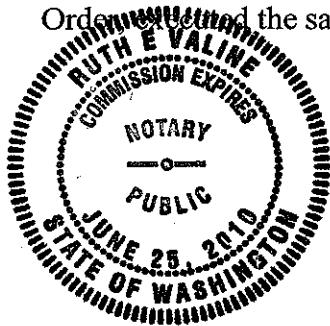
Safeco Insurance Company of America,
Respondent

By:


Patty McCollum
Assistant Vice President
September 24, 2009
Date

State of Washington)
County of King) ss.

On this 24th day of September, 2009, Patty McCollum personally appeared before me on behalf of Safeco Insurance Company of America, and read this Consent Order ~~and~~ the same and acknowledged the same to be their voluntary act and deed.



Ruth E. Valine
Notary Public

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. Safeco Insurance Company of America, Cause No. C-1786.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Ann M. Frohman
ANN M. FROHMAN
Director of Insurance

9/30/09
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to Respondent at 100 Liberty Way, Mail Stop – 02H, Dover, NH 03820, by certified mail, return receipt requested, on this 30th day of September, 2009.

Mary A. Fihn